

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
BEAUMONT DIVISION

FILED  
U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF TX

99 NOV 12 PM 2:16

IN RE: )  
KILPATRICK'S BONDED WAREHOUSE, INC. )  
 )  
 )  
DEBTOR(S) )

CASE NO. 95-10217

CHAPTER 7

CLERK U.S. BANKRUPTCY  
COURT

BY \_\_\_\_\_ DEPUTY

**TRUSTEE'S FINAL REPORT, APPLICATION FOR COMPENSATION,  
AND REPORT OF PROPOSED DISTRIBUTION**

Stephen J. Zayler, trustee of the estate of the above-named Debtor(s), certifies to the Court and the United States Trustee, that the trustee has faithfully and properly fulfilled the duties of the office of the trustee, that the trustee has examined all proofs of claims as appropriate under the proposed distribution, and that the proposed distribution, attached hereto, is proper and consistent with the law and rules of the court. The trustee applies for commission and expenses set forth herein and states that they are reasonable and proper.

Therefore, the trustee requests that the Final Report, Application for Compensation, and Report of Proposed Distribution be approved.

DATE: September 23, 1999

  
Stephen J. Zayler  
Trustee

\*\*\*\*\*

**REVIEWED BY THE UNITED STATES TRUSTEE:**

I have reviewed the Trustee's Final Report, Application for Compensation, and Report of Proposed Distribution and have no objection.

United States Trustee

Date: 10-14-99

By: 

602  
Am

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
BEAUMONT DIVISION

IN RE: )  
KILPATRICK'S BONDED WAREHOUSE, INC. ) CASE NO. 95-10217  
 )  
 ) CHAPTER 7  
DEBTOR(S) )

**TRUSTEE'S FINAL REPORT, APPLICATION FOR COMPENSATION  
AND APPLICATION TO CLOSE CASE AND DISCHARGE TRUSTEE**

The Trustee of the estate presents the following final report:

1. The Trustee applies for commissions and expenses set forth herein: That they are reasonable and proper; that in the course of the performance of duties, the Trustee has advanced monies from personal funds for expenses, and that the Trustee has not been reimbursed or indemnified.
2. The Trustee submits Schedule F as a summary of the assets and an estate property record. Any property scheduled under 11 U.S.C. Sec. 521(1) and not administered shall be deemed abandoned pursuant to 11 U.S.C. Sec. 554(c).
3. The Trustee has reduced all assets of this estate to cash or otherwise lawfully disposed of them, and the estate is ready to be closed.
4. The Trustee submits Schedule A as the account of estate cash receipts and disbursements.
5. There is no agreement or understanding between the Trustee and any other person for a division of the compensation sought by this application except as permitted by the Bankruptcy Code.
6. The Trustee requests approval of this final report.
7. The Trustee has examined each and every claim filed and noted his approval of claims as filed, or he has filed objections to allowance or requests for reclassification.
8. The Trustee further requests that after final distribution of all monies in accordance with the Trustee's Report of Final Distribution, and upon filing of A Supplemental Final Report and Account and certification by the U.S. Trustee the trustee be discharged from office and that the case be closed.

I declare under penalty of perjury that this Report and attached Schedules are true and correct to the best of my knowledge and belief.

Dated: September 23, 1999

  
\_\_\_\_\_  
Stephen J. Zayler Trustee

## SCHEDULE A-1

FINAL ACCOUNT AS OF September 23, 1999

|             |              |
|-------------|--------------|
| A. RECEIPTS | \$235,199.70 |
|-------------|--------------|

### B. DISBURSEMENTS

|                       |           |
|-----------------------|-----------|
| (1) Secured creditors | 19,000.00 |
|-----------------------|-----------|

|                    |            |
|--------------------|------------|
| (2) Administrative | 102,877.04 |
|--------------------|------------|

|              |      |
|--------------|------|
| (3) Priority | 0.00 |
|--------------|------|

|           |      |
|-----------|------|
| (4) Other | 0.00 |
|-----------|------|

|                     |              |
|---------------------|--------------|
| TOTAL DISBURSEMENTS | \$121,877.04 |
|---------------------|--------------|

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|                  |              |
|------------------|--------------|
| BALANCE OF FUNDS | \$113,322.66 |
|------------------|--------------|

TRUSTEE'S FINAL REPORT CASE SUMMARY

TRUSTEE:

ZAYLER

CASE NAME:

KILPATRICK'S BONDED WAREHOUSE, INC.

CASE NUMBER:

95-10217

DATE UST APPROVED:

10-14-99

COMMENTS:

ESTATE INCOME:

TOTAL RECEIPTS:

\$235,199.70

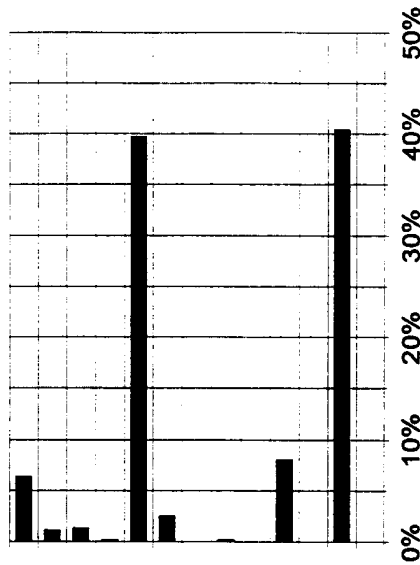
100.00%

ESTATE EXPENSES:

TRUSTEE'S COMMISSION  
TRUSTEE'S EXPENSES  
FIRM'S PROFESSIONAL FEES  
FIRM'S PROFESSIONAL EXPENSES  
OTHER ATTORNEY FEES  
OTHER PROFESSIONAL FEES  
COURT COSTS  
ESTATE EXPENSES(TAXES, ETC)  
PRIOR CHAPTER COSTS  
SECURED CLAIMS PAID  
PRIORITY CLAIMS PAID  
UNSECURED CLAIMS PAID  
OTHER(RETURN TO DEBTOR, ETC)

15,009.99  
2,679.81  
3,129.50  
432.62  
93,323.24  
5,991.68  
0.00  
500.00  
0.00  
19,000.00  
0.00  
95,132.86  
0.00

6.38%  
1.14%  
1.33%  
0.18%  
39.68%  
2.55%  
0.00%  
0.21%  
0.00%  
8.08%  
0.00%  
40.45%  
0.00%



UNSECURED CLAIMS  
ALLOWED

142,852.31

UNSECURED CLAIMS  
PAID

95,132.86

PERCENT RECOVERED  
FOR UNSECURED

66.60%

**FORM 1**  
**INDIVIDUAL ESTATE PROPERTY RECORD AND REPORT**  
**ASSET CASES**

Page: 1

Case No: 95-10217 BP1 Judge: BILL PARKER  
Case Name: KILPATRICK'S BONDED WAREHOUSE, INC.

Trustee Name: Stephen J. Zayler  
Date Filed (f) or Converted (c): 05/30/95 (c)  
341(a) Meeting Date: 07/07/95  
Claims Bar Date: 11/20/95

For Period Ending: 09/23/99

| 1   | 2                                  | 3   | 4   | 5                                       | 6   |
|---|------------------------------------|---|---|---|---|
| Asset Description<br>(Scheduled and Unscheduled (u) Property) | Petition/<br>Unscheduled<br>Values | Estimated Net Value<br>(Value Determined by Trustee,<br>Less Liens, Exemptions,<br>and Other Costs) | Property<br>Abandoned<br>OA=554(a) Abandon<br>DA=554(c) Abandon | Sale/Funds<br>Received by<br>the Estate | Asset Fully Administered (FA)/<br>Gross Value of Remaining Assets |
| 1. CHECKING ACCT.   | 328.90                             | 328.90  |   | 1,259.86                                | FA  |
| 2. ACCOUNTS REC.<br>Uncollectible                             | 9,054.70                           | 9,054.70  | OA  | 0.00                                    | FA  |
| 3. LAWSUIT  | 420,626.65                         | 200,000.00  |   | 200,000.00                              | FA  |
| 4. MACH. & EQPT.  | 270,111.23                         | 267,465.86  |   | 27,542.00                               | FA  |
| 5. REFUNDS  | 390.73                             | 390.73  |   | 3,001.11                                | FA  |
| 6. Post-Petition Interest Deposits (u)                        | 0.00                               | N/A   |   | 3,396.73                                | FA  |

|                                   |              |              |              |                                   |
|-----------------------------------|--------------|--------------|--------------|-----------------------------------|
| TOTALS (Excluding Unknown Values) | \$700,512.21 | \$477,240.19 | \$235,199.70 | \$0.00                            |
|                                   |              |              |              | (Total Dollar Amount in Column 6) |

Major activities affecting case closing which are not reflected above, and matters pending, date of hearing or sale, and other action:

Initial Projected Date of Final Report (TFR): 09/30/99      Current Projected Date of Final Report (TFR): 09/30/99

## FORM 2

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## ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 95-10217 BP1  
Case Name: KILPATRICK'S BONDED WAREHOUSE, INC.

Trustee Name: Stephen J. Zayler  
Bank Name: UNION BANK  
Account Number: 2130122127 Money Market

Taxpayer ID No: 74-1487478  
For Period Ending: 09/23/99

Blanket Bond (per case limit): \$ 300,000.00  
Separate Bond (if applicable):

| 1                | 2                  | 3                          | 4   | 5             | 6             | 7           | 8                | 9              | 10                   |
|------------------|--------------------|----------------------------|---|---------------|---------------|-------------|------------------|----------------|----------------------|
| Transaction Date | Check or Reference | Paid To / Received From    | Description Of Transaction                              | Deposits (\$) | Interest (\$) | Checks (\$) | Adjustments (\$) | Transfers (\$) | Account Balance (\$) |
| 09/13/95         | 4                  | HORN AUCTION CO.           | BALANCE FORWARD   | 26,792.00     |               |             |                  |                | 26,792.00            |
| 09/27/95         | 1                  | TEXAS COMMERCE BANK        | AUCTION PROCEEDS  | 1,259.86      |               |             |                  |                | 28,051.86            |
| 09/29/95         |                    | UNION BANK                 | FUNDS IN DIP ACCOUNT                                    |               | 22.11         |             |                  |                | 28,073.97            |
| 10/10/95         | 5                  | TRI-CON, INC.              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.51%     |               |               |             |                  |                |                      |
| 10/10/95         | 5                  | U. S. POSTAL SERVICE       | REFUND  | 29.61         |               |             |                  |                | 28,103.58            |
| 10/10/95         | 4                  | RUBY KILPATRICK            | METER REFUND  | 141.89        |               |             |                  |                | 28,245.47            |
| 10/10/95         | 000101             | HORN AUCTION COMPANY, INC. | PURCHASE OF COMPUTER                                    | 750.00        |               |             |                  |                | 28,995.47            |
| 10/24/95         | 5                  | INAC CORP.                 | AUCTIONEER FEES AND EXPENSES PER<br>ORDER DATED 10-3-95 | 19.23         |               | 4,391.68    |                  |                | 24,603.79            |
| 10/31/95         |                    | UNION BANK                 | REFUND OF WORKER'S COMP. INS.<br>PREMIUM                |               | 57.07         |             |                  |                | 24,623.02            |
| 11/27/95         | 5                  | SHAWMUT BANK CONNECTICUT   | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.52%     | 200.00        |               |             |                  |                | 24,680.09            |
| 11/30/95         |                    | UNION BANK                 | RMRS SYSTEM REFUND OF EMPLOYEE<br>BENEFITS              |               | 50.73         |             |                  |                | 24,880.09            |
| 12/29/95         |                    | UNION BANK                 | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.52%     |               | 49.50         |             |                  |                | 24,930.82            |
| 01/31/96         |                    | UNION BANK                 | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.52%     |               | 52.89         |             |                  |                | 24,980.32            |
| 02/29/96         |                    | UNION BANK                 | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.36%     |               | 44.60         |             |                  |                | 25,033.21            |
| 03/29/96         |                    | UNION BANK                 | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.26%     |               | 44.69         |             |                  |                | 25,077.81            |
| 04/30/96         |                    | UNION BANK                 | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.26%     |               | 49.41         |             |                  |                | 25,122.50            |
| 05/31/96         |                    | UNION BANK                 | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.26%     |               | 47.96         |             |                  |                | 25,171.91            |
| 06/28/96         |                    | UNION BANK                 | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.26%     |               | 43.40         |             |                  |                | 25,219.87            |
| 07/31/96         |                    | UNION BANK                 | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.26%     |               | 51.25         |             |                  |                | 25,263.27            |
|                  |                    |                            |   |               |               |             |                  |                | 25,314.52            |

## FORM 2

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## ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 95-10217 BP1  
Case Name: KILPATRICK'S BONDED WAREHOUSE, INC.

Trustee Name: Stephen J. Zayler  
Bank Name: UNION BANK  
Account Number: 2130122127 Money Market

Taxpayer ID No: 74-1487478  
For Period Ending: 09/23/99

Blanket Bond (per case limit): \$ 300,000.00  
Separate Bond (if applicable):

| 1                | 2                  | 3                       | 4   | 5             | 6             | 7           | 8                | 9              | 10                   |
|------------------|--------------------|-------------------------|---|---------------|---------------|-------------|------------------|----------------|----------------------|
| Transaction Date | Check or Reference | Paid To / Received From | Description Of Transaction                                  | Deposits (\$) | Interest (\$) | Checks (\$) | Adjustments (\$) | Transfers (\$) | Account Balance (\$) |
| 08/30/96         |                    | UNION BANK              | PERCENTAGE YIELD: 2.26%<br>INTEREST EARNED - ANNUAL         |               | 46.68         |             |                  |                | 25,361.20            |
| 09/30/96         |                    | UNION BANK              | PERCENTAGE YIELD: 2.26%<br>INTEREST EARNED - ANNUAL         |               | 48.33         |             |                  |                | 25,409.53            |
| 10/31/96         |                    | UNION BANK              | PERCENTAGE YIELD: 2.26%<br>INTEREST EARNED - ANNUAL         |               | 48.42         |             |                  |                | 25,457.95            |
| 11/29/96         |                    | UNION BANK              | PERCENTAGE YIELD: 2.26%<br>INTEREST EARNED - ANNUAL         |               | 45.39         |             |                  |                | 25,503.34            |
| 12/31/96         |                    | UNION BANK              | PERCENTAGE YIELD: 2.26%<br>INTEREST EARNED - ANNUAL         |               | 50.14         |             |                  |                | 25,553.48            |
| 01/03/97         | 5                  | RUBY KILPATRICK         | REFUND OF DEBTOR'S SHARE OF<br>WORKER'S COMPENSATION REFUND | 2,610.38      |               |             |                  |                | 28,163.86            |
| 01/31/97         |                    | UNION BANK              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 226.00%       |               | 52.85         |             |                  |                | 28,216.71            |
| 02/28/97         |                    | UNION BANK              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 227.00%       |               | 48.69         |             |                  |                | 28,265.40            |
| 03/31/97         |                    | UNION BANK              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 227.00%       |               | 54.00         |             |                  |                | 28,319.40            |
| 04/30/97         |                    | UNION BANK              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 227.00%       |               | 52.35         |             |                  |                | 28,371.75            |
| 05/30/97         |                    | UNION BANK              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 227.00%       |               | 52.44         |             |                  |                | 28,424.19            |
| 06/30/97         |                    | UNION BANK              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27%         |               | 54.31         |             |                  |                | 28,478.50            |
| 07/31/97         |                    | UNION BANK              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27%         |               | 54.41         |             |                  |                | 28,532.91            |
| 08/29/97         |                    | UNION BANK              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27%         |               | 50.98         |             |                  |                | 28,583.89            |
| 09/30/97         |                    | UNION BANK              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27%         |               | 56.38         |             |                  |                | 28,640.27            |
| 10/31/97         |                    | UNION BANK              | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27%         |               | 54.72         |             |                  |                | 28,694.99            |

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ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 95-10217 BP1  
Case Name: KILPATRICK'S BONDED WAREHOUSE, INC.

Trustee Name: Stephen J. Zayler  
Bank Name: UNION BANK  
Account Number: 2130122127 Money Market

Taxpayer ID No: 74-1487478  
For Period Ending: 09/23/99

Blanket Bond (per case limit): \$ 300,000.00  
Separate Bond (if applicable):

| 1                | 2                  | 3                            | 4   | 5             | 6             | 7           | 8                | 9              | 10                   |
|------------------|--------------------|------------------------------|---|---------------|---------------|-------------|------------------|----------------|----------------------|
| Transaction Date | Check or Reference | Paid To / Received From      | Description Of Transaction                          | Deposits (\$) | Interest (\$) | Checks (\$) | Adjustments (\$) | Transfers (\$) | Account Balance (\$) |
| 11/28/97         |                    | UNION BANK                   | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27% |               | 49.50         |             |                  |                | 28,744.49            |
| 12/31/97         |                    | UNION BANK                   | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27% |               | 58.44         |             |                  |                | 28,802.93            |
| 01/30/98         |                    | UNION BANK                   | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27% |               | 53.25         |             |                  |                | 28,856.18            |
| 02/27/98         |                    | UNION BANK                   | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27% |               | 49.78         |             |                  |                | 28,905.96            |
| 03/31/98         |                    | UNION BANK                   | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27% |               | 56.99         |             |                  |                | 28,962.95            |
| 04/30/98         |                    | UNION BANK                   | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27% |               | 53.55         |             |                  |                | 29,016.50            |
| 05/29/98         |                    | UNION BANK                   | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27% |               | 51.85         |             |                  |                | 29,068.35            |
| 06/30/98         |                    | UNION BANK                   | INTEREST EARNED - ANNUAL<br>PERCENTAGE YIELD: 2.27% |               | 57.31         |             |                  |                | 29,125.66            |
| 07/31/98         |                    | UNION BANK                   | INTEREST REC'D FROM BANK                            |               | 55.65         |             |                  |                | 29,181.31            |
| 08/19/98         |                    | UNION BANK                   | INTEREST REC'D FROM BANK                            |               | 32.36         |             |                  |                | 29,213.67            |
| 08/19/98         |                    | Transfer to Acct #3753856113 | Bank Funds Transfer                                 |               |               |             |                  | -29,213.67     | 0.00                 |

|                      |                  |              |                   |              |
|----------------------|------------------|--------------|-------------------|--------------|
| Account 2130122127   | Balance Forward  | 0.00         | 1 Checks          | 4,391.68     |
| 8 Deposits           | 31,802.97        |              | 0 Adjustments Out | 0.00         |
| 36 Interest Postings | 1,802.38         |              | 1 Transfers Out   | 29,213.67    |
|                      |                  |              | Total             | \$ 33,605.35 |
|                      | Subtotal         | \$ 33,605.35 |                   |              |
|                      | 0 Adjustments In | 0.00         |                   |              |
|                      | 0 Transfers In   | 0.00         |                   |              |
|                      | Total            | \$ 33,605.35 |                   |              |



## FORM 2

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## ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 95-10217 BP1  
Case Name: KILPATRICK'S BONDED WAREHOUSE, INC.

Trustee Name: Stephen J. Zayler  
Bank Name: NationsBank, N.A.  
Account Number: 3753856113 Money Market - Interest Bearing

Taxpayer ID No: 74-1487478  
For Period Ending: 09/23/99

Blanket Bond (per case limit): \$ 300,000.00  
Separate Bond (if applicable):

| 1                | 2                  | 3                              | 4  | 5             | 6             | 7           | 8                | 9              | 10                   |
|------------------|--------------------|--------------------------------|--|---------------|---------------|-------------|------------------|----------------|----------------------|
| Transaction Date | Check or Reference | Paid To / Received From        | Description Of Transaction                                   | Deposits (\$) | Interest (\$) | Checks (\$) | Adjustments (\$) | Transfers (\$) | Account Balance (\$) |
| 08/19/98         |                    | Transfer from Acct #2130122127 | BALANCE FORWARD  |               |               |             |                  |                | 0.00                 |
| 08/31/98         |                    | NATIONSBANK                    | Bank Funds Transfer  |               | 31.23         |             |                  | 29,213.67      | 29,213.67            |
| 09/30/98         |                    | NATIONSBANK                    | INTEREST REC'D FROM BANK                                     |               | 72.20         |             |                  |                | 29,285.87            |
| 10/30/98         |                    | NATIONSBANK                    | INTEREST REC'D FROM BANK                                     |               | 68.35         |             |                  |                | 29,354.22            |
| 11/30/98         |                    | NationBank, N.A.               | INTEREST REC'D FROM BANK                                     |               | 62.46         |             |                  |                | 29,416.68            |
| 12/31/98         |                    | NationsBank, N.A.              | INTEREST REC'D FROM BANK                                     |               | 62.59         |             |                  |                | 29,479.27            |
| 01/29/99         | 6                  | NationsBank, N.A.              | INTEREST REC'D FROM BANK                                     |               | 58.67         |             |                  |                | 29,537.94            |
| 02/26/99         | 6                  | NationsBank, N.A.              | INTEREST REC'D FROM BANK                                     |               | 56.76         |             |                  |                | 29,594.70            |
| 03/31/99         | 6                  | NationsBank, N.A.              | INTEREST REC'D FROM BANK                                     |               | 67.04         |             |                  |                | 29,661.74            |
| 04/30/99         | 6                  | NationsBank, N.A.              | INTEREST REC'D FROM BANK                                     |               | 61.07         |             |                  |                | 29,722.81            |
| 05/13/99         | 3                  | CNA                            | SETTLEMENT OF LAWSUIT  | 200,000.00    |               |             |                  |                | 229,722.81           |
| 05/13/99         | 000101             | PROVOST & UMPHREY              | PAYMENT OF ATTORNEY FEES & EXPENSES                          |               |               | 93,323.24   |                  |                | 136,400.00           |
|                  |                    |                                | PER ORDER DATED 4-25-99.                                     |               |               |             |                  |                |                      |
| 05/13/99         | 000102             | EQUITABLE BAG COMPANY, INC.    | CLAIM OF INTERVENTION IN LAWSUIT                             |               |               | 19,000.00   |                  |                | 117,400.00           |
|                  |                    |                                | PER ORDER DATED 4-15-99.                                     |               |               |             |                  |                |                      |
| 05/28/99         | 6                  | NationsBank, N.A.              | INTEREST REC'D FROM BANK                                     |               | 161.63        |             |                  |                | 117,561.63           |
| 06/08/99         |                    | EQUITABLE BAG COMPANY          | STOP PAYMENT-CK. LOST BY CREDITOR                            |               |               |             |                  |                |                      |
| 06/08/99         | 000103             | EQUITABLE BAG COMPANY, INC.    | CLAIM OF INTERVENTION IN LAWSUIT                             |               |               | 19,000.00   |                  |                | 136,561.63           |
|                  |                    |                                | REISSUANCE OF CHECK NO. 102 WHICH WAS MISPLACED BY CREDITOR. |               |               |             |                  |                |                      |
| 06/28/99         | 000104             | STEPHEN J. ZAYLER              | ATTORNEY FEES & EXPENSES                                     |               |               | 3,562.12    |                  |                | 133,000.00           |
|                  |                    | ATTORNEY AT LAW                | PER ORDER DATED 6-18-99                                      |               |               |             |                  |                |                      |
|                  |                    | P. O. BOX 150743               |  |               |               |             |                  |                |                      |
|                  |                    | LUFKIN, TX 75915-0743          |  |               |               |             |                  |                |                      |
| 06/30/99         | 6                  | NationsBank, N.A.              | INTEREST REC'D FROM BANK                                     |               | 272.62        |             |                  |                | 133,272.62           |
| 07/30/99         | 6                  | NationsBank, N.A.              | INTEREST REC'D FROM BANK                                     |               | 220.98        |             |                  |                | 133,493.60           |
| 08/31/99         | 6                  | NationsBank, N.A.              | INTEREST REC'D FROM BANK                                     |               | 236.19        |             |                  |                | 133,729.79           |
| 09/21/99         | 000105             | DAVID S. TAMMINGA              | PAYMENT OF ACCOUNTANT FEES                                   |               |               | 1,600.00    |                  |                | 132,129.79           |
|                  |                    | CPA                            | PER ORDER DATED 9-15-99.                                     |               |               |             |                  |                |                      |
|                  |                    | 1403 TURTLE CREEK              |  |               |               |             |                  |                |                      |

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ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 95-10217 BP1  
Case Name: KILPATRICK'S BONDED WAREHOUSE, INC.

Trustee Name: Stephen J. Zayler  
Bank Name: NationsBank, N.A.  
Account Number: 3753856113 Money Market - Interest Bearing

Taxpayer ID No: 74-1487478  
For Period Ending: 09/23/99

Blanket Bond (per case limit): \$ 300,000.00  
Separate Bond (if applicable):

| 1                | 2                  | 3   | 4  | 5             | 6             | 7           | 8                | 9              | 10                   |
|------------------|--------------------|---|--|---------------|---------------|-------------|------------------|----------------|----------------------|
| Transaction Date | Check or Reference | Paid To / Received From   | Description Of Transaction                         | Deposits (\$) | Interest (\$) | Checks (\$) | Adjustments (\$) | Transfers (\$) | Account Balance (\$) |
| 09/23/99         | 6                  | LUFKIN, TX 75901<br>NationsBank, N.A.<br>Transfer to acct #3753856760 | INTEREST REC'D FROM BANK<br>Final Posting Transfer |               | 162.56        |             |                  |                | 113,322.66           |
| 09/23/99         |                    |   |  |               |               |             |                  | -113,322.66    |                      |

|                      |                 |                            |
|----------------------|-----------------|----------------------------|
| Account 3753856113   | Balance Forward | 0.00                       |
| 1 Deposits           | 200,000.00      | 5 Checks 136,485.36        |
| 14 Interest Postings | 1,594.35        | 0 Adjustments Out 0.00     |
| Subtotal             | \$ 201,594.35   | 1 Transfers Out 113,322.66 |
| 1 Adjustments In     | 19,000.00       | Total \$ 249,808.02        |
| 1 Transfers In       | 29,213.67       |                            |
| Total                | \$ 249,808.02   |                            |

FORM 2

Page: 6

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 95-10217 BP1  
Case Name: KILPATRICK'S BONDED WAREHOUSE, INC.

Trustee Name: Stephen J. Zayler  
Bank Name: NationsBank, N.A.  
Account Number: 3753856760 Checking - Non Interest

Taxpayer ID No: 74-1487478  
For Period Ending: 09/23/99

Blanket Bond (per case limit): \$ 300,000.00  
Separate Bond (if applicable):

| 1                | 2                  | 3                              | 4   | 5             | 6             | 7           | 8                | 9              | 10                   |
|------------------|--------------------|--------------------------------|---|---------------|---------------|-------------|------------------|----------------|----------------------|
| Transaction Date | Check or Reference | Paid To / Received From        | Description Of Transaction                      | Deposits (\$) | Interest (\$) | Checks (\$) | Adjustments (\$) | Transfers (\$) | Account Balance (\$) |
| 09/23/99         |                    | Transfer from Acct #3753856113 | BALANCE FORWARD<br>Transfer In From MMA Account |               |               |             |                  | 113,322.66     | 113,322.66           |

|                    |                     |               |                   |         |
|--------------------|---------------------|---------------|-------------------|---------|
| Account 3753856760 | Balance Forward     | 0.00          | 0 Checks          | 0.00    |
|                    | 0 Deposits          | 0.00          | 0 Adjustments Out | 0.00    |
|                    | 0 Interest Postings | 0.00          | 0 Transfers Out   | 0.00    |
|                    | Subtotal            | \$ 0.00       | Total             | \$ 0.00 |
|                    | 0 Adjustments In    | 0.00          |                   |         |
|                    | 1 Transfers In      | 113,322.66    |                   |         |
|                    | Total               | \$ 113,322.66 |                   |         |

|               |                      |               |                   |               |
|---------------|----------------------|---------------|-------------------|---------------|
| Report Totals | Balance Forward      | 0.00          | 6 Checks          | 140,877.04    |
|               | 9 Deposits           | 231,802.97    | 0 Adjustments Out | 0.00          |
|               | 50 Interest Postings | 3,396.73      | 2 Transfers Out   | 142,536.33    |
|               | Subtotal             | \$ 235,199.70 | Total             | \$ 283,413.37 |
|               | 1 Adjustments In     | 19,000.00     |                   |               |
|               | 2 Transfers In       | 142,536.33    |                   |               |
|               | Total                | \$ 396,736.03 | Net Total Balance | \$ 113,322.66 |

EOD OCT 03 '95

IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF TEXAS  
BEAUMONT DIVISION

IN RE:

KILPATRICK'S BONDED WAREHOUSE,  
INC. D/B/A KILPATRICK'S BONDED  
WAREHOUSE

DEBTOR

§  
§  
§  
§  
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§

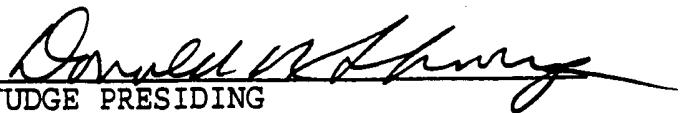
CASE NO. 95-10217-DRS  
(CHAPTER 7)

ORDER AUTHORIZING TRUSTEE'S MOTION FOR  
ALLOWANCE OF COMPENSATION TO AUCTIONEER

On this day came on to be considered the Trustee's Motion for Allowance of Compensation to Auctioneer filed by Stephen J. Zayler, the Trustee in the above captioned proceeding, for allowance of compensation to HORN AUCTION COMPANY, INC., for services rendered to the Trustee as set out in said Motion; and the Court being of the opinion the same was a necessary expense of this debtor estate, it is therefore;

ORDERED that the Trustee pay to HORN AUCTION COMPANY, INC., the sum and amount of \$1,589.60 as commission plus the sum of \$2,802.08, for expenses, for a total sum and amount of \$4,391.68, for services rendered to the Trustee, and that the same shall be taxed as an administration expense in this proceeding.

SIGNED this the 3rd day of October 1995.

  
JUDGE PRESIDING

37

IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF TEXAS  
BEAUMONT DIVISION

APR 15 1999

CLERK, U.S. BANKRUPTCY COURT  
BY: *Sm*  
DEPUTY

IN RE:

KILPATRICK'S BONDED  
WAREHOUSE, INC.  
T.I.N. 74-1487478

§  
§  
§  
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§

CASE NO. 95-10217  
(CHAPTER 7)

**EOD** APR 15 1999

ORDER APPROVING APPLICATION FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES TO SPECIAL COUNSEL FOR TRUSTEE  
AS AN ADMINISTRATIVE EXPENSES

CAME ON this day to be considered the Application for Compensation and Reimbursement of Expenses filed by STEPHEN J. ZAYLER, Trustee, on behalf of PROVOST ★ UMPHREY LAW FIRM, L.L.P., for services performed by GLENN H. (PETE) STEELE, JR. and DAVID P. WILSON, as Special Counsel for the Bankruptcy Estate, and it appearing to the Court that the Application is well taken and should be granted pursuant to *11 U.S.C. Section 330*, it is therefore

ORDERED, ADJUDGED AND DECREED that the Trustee be authorized to pay to PROVOST ★ UMPHREY LAW FIRM, L.L.P., as an administrative expense, compensation for legal services rendered by GLENN H. (PETE) STEELE, JR., and DAVID P. WILSON, as Special Counsel for the Bankruptcy Estate, the sum of \$80,000.00, plus reimbursement of out-of-pocket expenses in the sum and amount of \$13,323.24 for a total of fees and expenses of \$93,323.24 and that the same be paid from the funds of this estate upon execution thereof.

DATED this 15<sup>th</sup> day of April, 1999.

*Bue Parker*  
UNITED STATES BANKRUPTCY JUDGE

147

IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF TEXAS  
BEAUMONT DIVISION

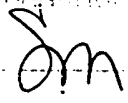
FILED  
U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF TEXAS

APR 15 1999

IN RE:

KILPATRICK'S BONDED  
WAREHOUSE, INC.  
TIN: 74-148478

§  
§  
§  
§  
§

CLERK, U.S. BANKRUPTCY COURT  
BY:   
DEPUTY  
CASE NO. 95-10217

EOD APR 15 '99

ORDER ON TRUSTEE'S MOTION TO APPROVE COMPROMISE  
AND SETTLEMENT OF DISTRICT COURT CAUSE OF ACTION

CAME ON TO BE CONSIDERED *Trustee's Motion to Approve Compromise and Settlement of District Court Cause of Action* pending in the 58<sup>th</sup> Judicial District Court of Jefferson County, Texas, and the Court having considered said Settlement Agreement and the pleadings on file herein, and being of the opinion that said Settlement Agreement should be approved by this Court, it is

ORDERED that said compromise and settlement of the above District Court cause of action against KCI Constructors, Inc., for the sum of \$200,000.00 is APPROVED, and the Trustee is authorized to execute any and all documents necessary to compromise and settle this cause of action.

It is further ORDERED that, upon Trustee's receipt of the settlement proceeds, the Trustee is AUTHORIZED AND DIRECTED to pay to Intervenor, Equitable Bag Company, Inc., the sum of \$19,000.00 as full and final settlement of the claim in intervention of Equitable Bag Co., Inc., in accordance with Settlement Agreement executed by all parties on March 8, 1999.

SIGNED this 15<sup>th</sup> day of April, 1999.

  
UNITED STATES BANKRUPTCY JUDGE

48

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
BEAUMONT DIVISION

FILED  
U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF TX

JUN 18 AM 8:34

CLERK, U.S. BANKRUPTCY  
COURT

IN RE:

BY \_\_\_\_\_ DEPUTY

KILPATRICK'S BONDED  
WAREHOUSE, INC.  
DEBTOR

CASE NO. 95-10217

CHAPTER 7

EOD JUN 18 '99

**AGREED ORDER APPROVING APPLICATION FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR COUNSEL FOR TRUSTEE**

CAME ON this day to be considered the Application for Compensation and Reimbursement of Expenses filed by STEPHEN J. ZAYLER, Trustee, on behalf of Stephen J. Zayler, Counsel for the Trustee and it appearing to the Court that the Application is well taken and should be granted pursuant to 11 U. S. C. Section 330.

The Court finds that the U.S. Trustee's office has filed an objection to the Application for Compensation and Reimbursement of Expenses for the reason that the sum of \$682.50 should be included in the Trustee's fees rather than charged as attorney fees. Stephen J. Zayler has agreed to reduce his application for compensation by the sum of \$682.50 in accordance with the U.S. Trustee's objection. It is therefore

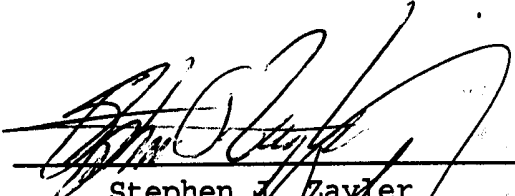
**ORDERED, ADJUDGED and DECREED** that the Trustee be authorized to pay to STEPHEN J. ZAYLER, as compensation for legal services rendered as Counsel for the Trustee, the sum and amount of \$3129.50, and reimbursement of out-of-pocket expenses in the sum and amount of \$432.62 for a total of fees and expenses of \$3562.12 and that the same be paid from the funds of this estate upon execution hereof.

55

DATED this the 17<sup>th</sup> day of June, 1999.



BANKRUPTCY JUDGE

  
Stephen J. Zayler

  
United States Trustee



IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF TEXAS  
BEAUMONT DIVISION

99 SEP 15 AM 8:20

IN RE:

§

U.S. BANKRUPTCY  
COURT

KILPATRICK'S BONDED  
WAREHOUSE, INC.

§

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§

CASE NO. 95-10217

CHAPTER 7

DEBTOR

§

EOD SEP 15 '99

ORDER ALLOWING COMPENSATION TO ACCOUNTANT

On this day came on to be considered the Motion of STEPHEN J. ZAYLER, the Trustee in the above captioned proceeding, pursuant to 11 U.S.C. Section 330, for the allowance of compensation to DAVID S. TAMMINGA, Certified Public Accountant, for services rendered to the Trustee herein for the Bankruptcy Estate of KILPATRICK'S BONDED WAREHOUSE, INC., as set out in said Motion; and the Court being of the opinion that the same was a necessary expense of this debtor estate, it is therefore;

ORDERED that the Trustee herein pay to DAVID S. TAMMINGA, Certified Public Accountant, the sum and amount of \$1,600.00, for services rendered to the Trustee in connection with the Bankruptcy Estate of KILPATRICK'S BONDED WAREHOUSE, INC., and that the same shall be taxed as an administrative expense in this proceeding.

SIGNED this the 14th day of September, 1999.

Bruce Parker  
U.S. BANKRUPTCY JUDGE

58

## SCHEDULE B

### APPLICATION FOR COMPENSATION

#### COMPUTATION OF COMMISSIONS

|          |              |                       |            |
|----------|--------------|-----------------------|------------|
| Receipts | \$235,199.70 | 25 % of First \$5,000 | \$1,250.00 |
| Less     | -\$5,000     | (\$1,250.00 Max)      |            |
| Balance  | \$45,000.00  | 10 % of Next \$45,000 | \$4,500.00 |
| Less     | -\$45,000    | (\$4,500.00 Max)      |            |
| Balance  | \$185,199.70 | 5 % of Next \$950,000 | \$9,259.99 |
| Less     | -\$950,000   | (\$47,500.00 Max)     |            |
| Balance  | \$0.00       | 3 % of Balance        | \$0.00     |

TOTAL COMPENSATION REQUESTED \$15,009.99

#### TRUSTEE EXPENSES:

|  |                          |            |
|--|--------------------------|------------|
| Premium on Trustee's Bond                      |                          | \$0.00     |
| Travel (716.00 mile at 0.35cents per mile)     |                          | \$250.60   |
| Copies (1,322.00 page at 0.25 cents per copy)  |                          | \$330.80   |
| Postage  |                          | \$121.73   |
| Telephone Charges                              |                          | \$80.00    |
| Clerical/Secretarial (25.50 at 15.00 per hour) | SEE ATTACHED             | \$382.50   |
| Paralegal/Assistance (29.40 at 50.00 per hour) | SEE ATTACHED             | \$1,494.00 |
|  | (0.80 at 30.00 per hour) |            |
| Supplies/Stationary                            |                          | \$5.18     |
| Distribution Expenses                          |                          | \$0.00     |
| Miscellaneous - Filing Fee Jefferson County    |                          | \$15.00    |

TOTAL EXPENSES \$2,679.81

Records : Trustee did not take possession of  
business or personal records of Debtor.

X


Notice given debtor on  
to pick up business or personal records  
in hands of Trustee.

THE STATE OF TEXAS )

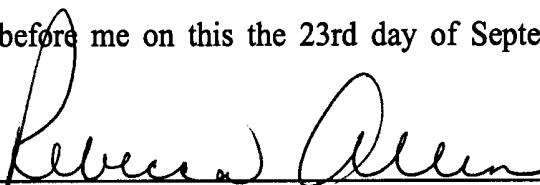
COUNTY OF ANGELINA )

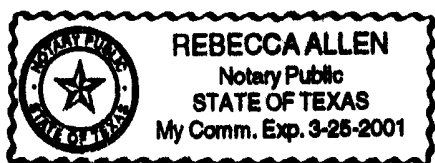
BEFORE ME, the undersigned authority on this date personally appeared Stephen J. Zayler, and under oath stated the following:

"I, Stephen J. Zayler, am the duly appointed Trustee in the KILPATRICK'S BONDED WAREHOUSE, INC. bankruptcy proceeding. I am hereby making application for the maximum amount of Trustee fees, as it is my opinion that the maximum amount was earned by me in carrying out my duties as Trustee. This case was converted from a Chapter 11 to a Chapter 7 proceeding. I held the 341a meeting, collected and sold assets, held a public auction for the sale of most of the assets, employed professionals and made appropriate applications for employment and payment of services rendered by those professionals. I made a trip to Beaumont to meet with the attorney for the corporation, Mr. Floyd Landrey, and went to the warehouse to determine what property remained since conversion of the case. I made two subsequent trips to Beaumont to visit with the principals of the debtor corporation and Floyd Landrey: one to gather information on assets remaining at time of conversion and another to review the property list and compare it to the Chapter 11 schedules to verify property and location of property, and made another trip to attend the public auction. I made several trips to visit with Pete Steele and David Wilson, the Special Counsel for the Estate, regarding pending litigation. I made another trip to attend a successful mediation in the lawsuit, (these trips are in addition to the trips included in the attorney fee application previously approved); prepared status reports as requested by the U. S. Trustee; reviewed expert reports prior to mediation, settled the lawsuit which was pending at the time of conversion; and had numerous conferences and correspondence with the debtor, the debtors' attorney and creditors. After the payment of all the administrative expenses, I will be able to pay all timely filed unsecured claims in full and will make a substantial disbursement to a tardily filed claim. Further, I performed all the other numerous duties of a Trustee, including, but not limited to, preparing Trustee's Final Report, making disbursements and preparing the Supplemental Final Report.

  
Stephen J. Zayler

SWORN TO AND SUBSCRIBED TO before me on this the 23rd day of September, 1999.

  
NOTARY PUBLIC, THE STATE OF TEXAS



ITEMIZATION OF SECRETARIAL AND CLERICAL TIME

June 12, 1995 - Setting up file;  
(EG - .10)

July 6, 1995 - Receive and review correspondence confirming principal of corporation's appointment to meet with Trustee and calendar;  
(RA - .10)

July 14, 1995 - Telephone conference with Willie at Floyd Landrey's office regarding potential meeting with principals of Kilpatrick;  
(SC - .10)

July 17, 1995 - Telephone conference with Willie at Floyd Landrey's office regarding meeting with debtor on July 20;  
(SC - .10)

July 21, 1995 - Prepare lengthy memo to file from Trustee's notes as to meeting with debtors;  
(SC - .40)

August 7, 1995 - Copying, folding and stapling of Trustee's Motion to Sell Inventory, Furniture, Fixtures and Equipment, and stuffing, sealing, addressing and stamping envelopes for mailing to all creditors and interested parties;  
(EG - .40)

August 17, 1995 - Telephone conference with Susan Horn with Horn Auction regarding status of Order authorizing auction;  
(SC - .10)

August 31, 1995 - Telephone conference with Bankruptcy Clerk's office regarding status of Order authorizing auction;  
(SC - .10)

September 1, 1995 - Telephone conference with Bankruptcy Clerk's office regarding Order authorizing auction;  
(SC - .10)

September 1, 1995 - Receipt of and calendar bar date;  
(RA - .10)

September 6, 1995 - Copying, folding and stapling of Motion for Allowance of Compensation to Auctioneer, and stuffing, sealing, addressing and stamping envelopes for mailing to all creditors and interested parties;  
(EG - .40)

September 13, 1995 - Prepare receipt of check;  
(EG - .10)

September 13, 1995 - Telephone conference with Union Bank opening new account with and load bank account information into computer;  
(RA - .20)

September 13, 1995 - Prepare W-9 form for transmittal to Union Bank;  
(RA - .10)

September 13, 1995 - Prepare deposit, post deposit and transmit to Union Bank;

(RA - .20)

September 26, 1995 - Telephone conference with Floyd Landrey regarding offer on computer;

(RA - .10)

September 27, 1995 - Receive and review correspondence from Texas Commerce Bank regarding funds on deposit;

(RA - .10)

September 27, 1995 - Prepare receipt of check;

(EG - .10)

September 27, 1995 - Prepare deposit, post deposit and transmit to Union Bank;

(RA - .20)

October 10, 1995 - Prepare receipt of three (3) checks;

(EG - .20)

October 10, 1995 - Prepare three (3) deposits, post deposits and transmit to Union Bank;

(RA - .40)

October 10, 1995 - Prepare disbursement check to Horn Auction and post disbursement;

(RA - .20)

October 10, 1995 - Organize file;

(SC - .30)

October 11, 1995 - Correspondence to Horn Auction regarding commission and expenses;

(SC - .20)

October 19, 1995 - Post interest and reconcile bank statement;

(RA - .20)

October 19, 1995 - Correspondence to Pete Steele regarding his execution of Affidavit of Disinterestedness;

(SC - .20)

October 24, 1995 - Prepare receipt of check;

(EG - .10)

October 24, 1995 - Prepare deposit, post deposit and transmit to Union Bank;

(RA - .20)

October 27, 1995 - Receive and review correspondence from Pete Steele regarding his employment;

(SC - .10)

October 27, 1995 - Copying, folding and stapling of Trustee's Motion to Sell

Pionex Computer, and stuffing, sealing, addressing and stamping envelopes for mailing to all creditors and interested parties;  
(EG - .40)

November 10, 1995 - Post interest and reconcile bank statement;  
(RA - .20)

November 27, 1995 - Prepare receipt of check;  
(EG - .10)

November 27, 1995 - Prepare deposit, post deposit and transmit to Union Bank;  
(RA - .20)

December 5, 1995 - Receive and review correspondence from Floyd Landrey regarding account with Texas Commerce Bank;  
(SC - .10)

December 5, 1995 - Correspondence to Floyd Landrey regarding Bill of Sale on computer;  
(SC - .20)

December 11, 1995 - Post interest and reconcile bank statement;  
(RA - .20)

January 10, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

January 30, 1996 - Receive and review 1099 from Union Bank;  
(RA - .10)

February 12, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

March 14, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

April 9, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

May 6, 1996 - Receive and list Notice of Appearance from Clayton Mayfield for Jefferson County;  
(RA - .10)

May 6, 1996 - Organize file;  
(SC - .20)

May 10, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

June 10, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

June 25, 1996 - Service of objection to claims on interested parties;  
(EG - .10)

July 7, 1996 - Receive and calendar docket call in State Court lawsuit;

(RA - .10)

July 12, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

August 7, 1996 - Receive and calendar hearing on objections to claims;  
(RA - .10)

August 18, 1996 - Receive and review correspondence from Pete Steele confirming settlement meeting of State Court lawsuit continued to 8-20-96 and calendar;  
(RA - .10)

August 19, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

September 12, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

October 8, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

November 8, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

November 19, 1996 - Correspondence to Court returning claims folder;  
(RA - .20)

December 11, 1996 - Post interest and reconcile bank statement;  
(RA - .20)

January 3, 1997 - Prepare receipt of check;  
(EG - .10)

January 3, 1997 - Prepare deposit, post deposit and transmit to Union Bank;  
(RA - .20)

January 3, 1997 - Organize file;  
(SC - .30)

January 16, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

February 3, 1997 - Receive and review 1099 from Union Bank;  
(RA - .10)

February 11, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

March 31, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

April 8, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

May 6, 1997 - Post interest and reconcile bank statement;

(RA - .20)

June 2, 1997 - Organize file;  
(SC - .10)

June 10, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

July 24, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

August 11, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

September 9, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

September 12, 1997 - Receive and calendar notice of docket call in State Court lawsuit;  
(RA - .10)

October 10, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

October 23, 1997 - Receive and review correspondence from Court regarding proof of claims folder;  
(RA - .10)

October 23, 1997 - Telephone conference with Mona advising claims folder has been returned;  
(RA - .10)

November 10, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

December 9, 1997 - Post interest and reconcile bank statement;  
(RA - .20)

January 12, 1998 - Post interest and reconcile bank statement;  
(RA - .20)

February 2, 1998 - Receive and review 1099 from Union Bank;  
(RA - .10)

February 9, 1998 - Organize file;  
(SC - .20)

February 9, 1998 - Post interest and reconcile bank statement;  
(RA - .20)

March 10, 1998 - Post interest and reconcile bank statement;  
(RA - .20)

April 8, 1998 - Post interest and reconcile bank statement;  
(RA - .20)



May 8, 1998 - Post interest and reconcile bank statement;  
(RA - .20)

June 1, 1998 - Correspondence to Pete Steele regarding State Court setting;  
(SC - .20)

June 5, 1998 - Post interest and reconcile bank statement;  
(RA - .20)

July 16, 1998 - Post interest and reconcile bank statement;  
(RA - .20)

August 18, 1998 - Post interest and reconcile bank statement;  
(RA - .20)

August 18, 1998 - Post transfer of funds from Union Bank to NationsBank;  
(RA - .30)

August 18, 1998 - Verify tax identification number for NationsBank's W-9 form;  
(RA - .10)

September 14, 1998 - Receive and calendar notice of docket call in State Court lawsuit;  
(RA - .10)

September 21, 1998 - Reconcile bank statement;  
(BH - .10)

October 20, 1998 - Reconcile bank statement;  
(BH - .10)

November 11, 1998 - Reconcile bank statement;  
(BH - .10)

December 14, 1998 - Reconcile bank statement;  
(BH - .10)

December 29, 1998 - Receive and calendar notice of docket call in State Court lawsuit;  
(RA - .10)

December 29, 1998 - Organize file;  
(RA - .30)

January 13, 1999 - Reconcile bank statement;  
(BH - .10)

February 3, 1999 - Receive and review 1099 from Union Bank;  
(RA - .10)

February 15, 1999 - Receive and calendar notice of docket call in State Court lawsuit;  
(RA - .10)

February 16, 1999 - Reconcile bank statement;

(BH - .10)

March 9, 1999 - Receive and review billing draft of expenses incurred by Provost & Umphrey;  
(RA - .10)

March 10, 1999 - Copying, folding and stapling of Motion to Approve Compromise Settlement Agreement and Motion for Allowance of Compensation to Special Counsel, stuffing, sealing, addressing and stamping envelopes for mailing to all creditors and interested parties;  
(BH - 1.20)

March 11, 1999 - Reconcile bank statement;  
(BH - .10)

April 12, 1999 - Reconcile bank statement;  
(BH - .10)

April 21, 1999 - Receive and review Notice of Entry of Order Granting Approval of Compromise and Settlement of lawsuit;  
(RA - .10)

April 22, 1999 - Receive and review Notice of Entry of Order to Pay Provost & Umphrey;  
(RA - .10)

May 13, 1999 - Prepare receipt of check;  
(BH - .10)

May 13, 1999 - Prepare deposit, post deposit and transmit to NationsBank;  
(RA - .20)

May 13, 1999 - Prepare distribution checks to Provost & Umphrey and Equitable Bag and post distributions;  
(RA - .30)

May 13, 1999 - Organize file;  
(RA - .20)

May 13, 1999 - Copying, folding and stapling of Summary to Application for Compensation and Reimbursement of Expenses to Stephen J. Zayler, and stuffing, sealing, addressing and stamping envelopes for mailing to all creditors and interested parties;  
(BH - .40)

May 13, 1999 - Trip to and from David Tamminga's office delivering information for preparation of fiduciary returns;  
(RA - .50)

May 17, 1999 - Correspondence to David Wilson with Provost & Umphrey regarding attorney fees;  
(RA - .20)

May 18, 1999 - Reconcile bank statement;  
(BH - .10)

June 7, 1999 - Telephone conference with Ray Hatcher with Mehaffy & Weber regarding misplacement of check by his client Equitable Bag;  
(RA - .10)

June 8, 1999 - Correspondence to NationsBank requesting stop payment on check;  
(RA - .20)

June 8, 1999 - Reissue check to Equitable Bag and post disbursement;  
(RA - .20)

June 8, 1999 - Correspondence to Ray Hatcher regarding reissued check;  
(RA - .20)

June 16, 1999 - Reconcile bank statement;  
(BH - .10)

June 15, 1999 - Receive and calendar hearing on Stephen J. Zayler's fee application;  
(RA - .10)

June 25, 1999 - Telephone conference with Bankruptcy Court regarding contents of Order;  
(RA - .10)

June 28, 1999 - Prepare disbursement check to Steve Zayler for attorney fees and post disbursement;  
(RA - .20)

July 14, 1999 - Reconcile bank statement;  
(BH - .10)

July 26, 1999 - Copy and return employment contract to David Tamminga;  
(BH - .10)

July 26, 1999 - Prepare tax returns for mailing to District Director and IRS;  
(BH - .30)

August 5, 1999 - Copying, folding and stapling of Motion for Allowance of Compensation to Accountant, and stuffing, sealing, addressing and stamping envelopes for mailing to all creditors and interested parties;  
(BH - .40)

August 16, 1999 - Reconcile bank statement;  
(BH - .10)

September 7, 1999 - Receive and review correspondence from Internal Revenue Service regarding fiduciary tax returns;  
(RA - .10)

September 13, 1999 - Correspondence to Court requesting Court costs and docket;  
(RA - .20)

September 14, 1999 - Reconcile bank statement;  
(BH - .10)

September 20, 1999 - Organize file;  
(RA - .10)

September 22, 1999 - Receive and review Bill of Court costs and docket;  
(RA - .10)

September 22, 1999 - Transfer funds from MMA to checking account at NationsBank and post accrued interest;  
(RA - .20)

September 21, 1999 - Copy all bank statements, deposit slips and checks for delivery of originals to U. S. Trustee's office;  
(BH - .90)

September 21, 1999 - Receipt and review of Notice of Entry of Order Granting Compensation to Accountant;  
(RA - .10)

September 21, 1999 - Prepare disbursement check to David Tamminga, post disbursement and transmit;  
(RA - .20)

September 22, 1999 - Prepare and assemble Trustee's Final Report for U. S. Trustee approval;  
(RA - .30)

RECAP OF SECRETARIAL & CLERICAL TIME:

|                  |   |                             |             |
|------------------|---|-----------------------------|-------------|
| REBECCA ALLEN    | - | 15.70 hrs @ \$15.00/per hr. | = \$ 235.50 |
| BEVERLY HATCHER  | - | 4.70 hrs @ \$15.00/per hr.  | = 70.50     |
| ELIZABETH GORMAN | - | 2.10 hrs @ \$15.00/per hr.  | = 31.50     |
| SHERRY CARNLEY   | - | 3.00 hrs @ \$15.00/per hr.  | = 45.00     |

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|        |  |                             |             |
|--------|--|-----------------------------|-------------|
| TOTAL: |  | 25.50 hrs @ \$15.00/per hr. | = \$ 382.50 |
|--------|--|-----------------------------|-------------|

## RESUMES OF THE PARALEGAL ASSISTANTS TO THE TRUSTEE

### Rebecca Allen

Employed by the Trustee September 1, 1990. Has 22 years bankruptcy and other legal experience and was formerly employed by another Chapter 7 Trustee.

Her duties performed for the Trustee include loading information into the case management system when files are received, preparation of Trustee's Report of No Distribution, preparation of various correspondence between Trustee and interested parties, answer telephone calls regarding routine questions, assisting with the location, collection and disposition of assets, assisting in the collection of sale proceeds and accounts receivable, answering questions from creditors, opening bank accounts, securing Tax ID Nos., preparing deposits and disbursement checks, posting deposits and disbursements into computer, reconciling bank statements, organizing files, preparation of objections to claims, preparation of various pleadings including applications and motions in contested matters, preparation of semi-annual reports, preparation of Trustee's Final Reports and Request for Compensation and preparation of Trustee's Supplemental Final Reports.

### Sherry Carnley

Employed by the Trustee December 1, 1994. Has 17 years broad legal experience in all areas of law.

Her duties performed for the Trustee include organizing files, preparation of various pleadings including applications and motions in contested matters, principal assistant to the attorney for the Trustee in the preparation of adversary proceeding complaints, discovery, pre-trial and post-trial pleadings, preparing monthly reports in operating Chapter 7's, principally responsible for assisting with the location, collection, and disposition of assets, assisting in the collection of sale proceeds and accounts receivable, answering general questions from creditors, preparation of correspondence, preparation of objections to claims, preparation of various miscellaneous and other legal documents.

### Beverly Hatcher

Employed by the Trustee June 1, 1998. Formerly employed by an attorney, but had no bankruptcy experience prior to coming to work for the Trustee.

Her duties include assisting in the set-up of files, filing, occasionally preparing receipts of checks, assisting in the mailing of notices, assisting in posting to ledger and reconciling bank statements, occasionally preparing deposits for mailing to NationsBank by Airborne Express, preparation of general correspondence and answering various telephone calls between the Trustee and interested parties regarding routine questions, verifying receipts against bank statements, assisting in the copying and mailing of notices, pleadings and general correspondence, preparation of objections to claims, preparation of various pleadings, assisting in the preparation of semi-annual reports, and preparation of Trustee's Supplemental Final Reports.

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ITEMIZATION OF PARALEGAL TIME

June 12, 1995 - Review of Chapter 11 Schedules and Statement of Financial Affairs as to possible assets, secured creditors and matters which need to be taken care of prior to the 341a hearing;

(RA - .20)

June 12, 1995 - Correspondence to Debtor's attorney, Floyd Landrey, requesting additional information prior to 341a hearing and status of corporation since conversion;

(RA - .30)

June 21, 1995 - Telephone conference with Floyd Landrey regarding status of case and property since conversion, status of pending lawsuit by debtor on flood damage claim, and discuss with the Trustee;

(RA - .30)

June 29, 1995 - Telephone conference with Horn Auction regarding warehouse inventory and possible employment;

(SC - .20)

June 30, 1995 - Telephone conference with Horn Auction regarding retrieving equipment of estate;

(SC - .10)

July 3, 1995 - Correspondence to Floyd Landrey, attorney for the debtor, regarding necessity of Trustee to meet with principals to investigate property of estate;

(RA - .30)

July 3, 1995 - Prepare Motion to Employ Attorney for Trustee, Affidavit of Disinterestedness and proposed Order;

(SC - .80)

July 3, 1995 - Prepare Suggestion of Bankruptcy for filing in State Court litigation against KCI Constructors, Inc.;

(SC - .60)

July 10, 1995 - Telephone conference with Jed Haynes of Fleming Company regarding status;

(SC - .20)

July 10, 1995 - Review status of liquidation of assets with Trustee;

(SC - .20)

July 10, 1995 - Prepare Plea in Intervention for filing in State Court lawsuit;

(SC - .70)

July 10, 1995 - Correspondence to District Clerk of Jefferson County regarding Plea in Intervention;

(SC - .20)

July 10, 1995 - Prepare Motion to Employ Auctioneer and proposed Order;

(SC - .80)

July 10, 1995 - Telephone conference with Jim Porter of Fleming Company regarding auction of assets and procedure of sale;

(SC - .30)

July 11, 1995 - Receive and review correspondence from Floyd Landrey to The

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Bennett Funding Group regarding pickup of equipment and discuss with the Trustee;  
(SC - .10)

July 11, 1995 - Telephone conference with Mel Wilming regarding storage fee at warehouse building and discuss with the Trustee;  
(SC - .20)

July 11, 1995 - Telephone conference with Stuart Horn regarding auction;  
(SC - .20)

July 12, 1995 - Telephone conference with Don Hartwick regarding access to warehouse and discuss with the Trustee;  
(SC - .20)

July 12, 1995 - Telephone conference with Susan Horn of Horn Auction regarding equipment in warehouse;  
(SC - .10)

July 12, 1995 - Telephone conference with Jack Sargent, attorney for Fleming Foods, regarding warehouse;  
(SC - .10)

July 13, 1995 - Telephone conference with Don Hartwick regarding permission to enter warehouse and discuss with the Trustee;  
(SC - .20)

July 14, 1995 - Telephone conference with Susan Horn regarding warehouse inventory and discuss with the Trustee;  
(SC - .30)

July 20, 1995 - Receive and review Defendant in State Court lawsuit, KCI's, Answer to Petition in Intervention;  
(SC - .10)

July 20, 1995 - Telephone conference with Joe Evans with Konica regarding leased equipment;  
(SC - .10)

July 21, 1995 - Telephone conference with Don Hartwick with Konica regarding pickup of leased equipment;  
(SC - .10)

July 25, 1995 - Telephone conference with Susan Horn regarding items located in warehouse and sorting out leased property;  
(SC - .30)

July 27, 1995 - Conference with the Trustee regarding status of liquidation of assets;  
(SC - .30)

July 28, 1995 - Receive and review correspondence from debtor regarding accounts receivable of James River Corporation;  
(SC - .10)

August 7, 1995 - Receive and review Final Chapter 11 Monthly Operating Report;  
(SC - .30)

August 7, 1995 - Prepare Trustee's Motion to Sell Inventory, Furniture, Fixtures and Equipment and proposed Order;

Itemization of Paralegal Time - Page 2

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(SC - 1.30)

August 8, 1995 - Prepare Motion to Employ Accountant, Affidavit of Disinterestedness and proposed Order;

(SC - .80)

August 14, 1995 - Telephone conference with Kris with Southwest Securities regarding warehouse;

(SC - .10)

August 15, 1995 - Telephone conference with Horn Auctioneers regarding inventory;

(SC - .20)

August 16, 1995 - Review file for particulars on James River's accounts receivable;

(SC - .10)

August 16, 1995 - Correspondence to James River advising of bankruptcy proceeding and demand for accounts receivable owed to debtor;

(SC - .30)

August 17, 1995 - Correspondence to Enterplast advising of bankruptcy proceeding and demand for accounts receivable owed to debtor;

(SC - .30)

August 25, 1995 - Conference with the Trustee regarding offer received to purchase computer;

(SC - .10)

August 25, 1995 - Correspondence to Floyd Landrey advising offer to purchase computer by his client too low and advising that auctioneer will pickup to sell if offer not increased;

(SC - .30)

August 25, 1995 - Correspondence to Texas Commerce Bank advising them of conversion and request for funds in dip account;

(SC - .30)

September 5, 1995 - Receive and review auction report from Horn Auction and compare to schedules;

(SC - .30)

September 6, 1995 - Prepare Motion for Allowance of Compensation to Auctioneer and proposed Order;

(SC - 1.10)

September 6, 1995 - Prepare Trustee's Report of Sale regarding auction;

(SC - .70)

September 13, 1995 - Receive and review additional sale information from Horn Auction;

(SC - .20)

September 26, 1995 - Conference with the Trustee regarding the employment of Special Counsel on a contingency fee;

(SC - .10)

October 10, 1995 - Receive and review correspondence from Floyd Landrey regarding documents requested and review of bank statements and tax returns;



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(SC - .30)

October 20, 1995 - Load asset, lien information and exemption information into computer;

(RA - .40)

October 25, 1995 - Prepare Motion to Sell Pionex Computer and proposed Order;

(SC - .90)

October 25, 1995 - Receive and review statement from Jefferson County Tax Office for personal property taxes and compare to property sold;

(SC - .20)

October 27, 1995 - Prepare Application to Employ Special Counsel to represent estate in KCI lawsuit, Affidavit of Disinterestedness and proposed Order;

(SC - .90)

November 22, 1995 - Receive and review miscellaneous documents provided by debtor including information on Texas Worker's Comp audit and discuss with the Trustee;

(SC - .30)

December 5, 1995 - Correspondence to Jeff Murro Agency regarding refund of premium from Texas Worker's Comp Fund;

(SC - .30)

December 5, 1995 - Correspondence to Texas Commerce Bank requesting that account be closed and forward any balance to Trustee;

(SC - .30)

December 5, 1995 - Preparation of Report of Sale of computer;

(SC - .40)

December 5, 1995 - Prepare Trustee's Bill of Sale;

(SC - .60)

December 12, 1995 - Receive and review correspondence from Jeff Murro Insurance Agency regarding refund from Texas Worker's Compensation Commission and discuss with the Trustee;

(SC - .10)

December 12, 1995 - Correspondence to INAC Premium Finance regarding refund of premium since audit advising that it is property of estate;

(SC - .30)

December 22, 1995 - Office conference with Trustee and Sherry regarding status of administration;

(RA - .20)

January 19, 1996 - Receive and review correspondence from Floyd Landrey regarding documents;

(SC - .10)

February 13, 1996 - Prepare 1099-MISC and 1096 for transmittal to Internal Revenue Service;

(SC - .30)

May 16, 1996 - Correspondence to INAC Premium Finance regarding audit refund;

(SC - .20)

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June 6, 1996 - Telephone conference with Patty with INAC Premium Finance regarding refund of premium and discuss with the Trustee;  
(SC - .20)

June 7, 1996 - Correspondence to Floyd Landrey advising refund received by debtor should be turned over to Trustee as property of estate;  
(SC - .30)

June 13, 1996 - Receive and review correspondence from Floyd Landrey regarding refund of insurance premium and discuss with Trustee;  
(SC - .10)

June 14, 1996 - Correspondence to Everplast, Inc. regarding accounts receivable owed to estate;  
(SC - .20)

June 14, 1996 - Correspondence to James River Corp. regarding accounts receivable owed to estate;  
(SC - .20)

June 26, 1996 - Telephone conference with James Kelly regarding accounts receivable of James River Corp;  
(SC - .10)

June 27, 1996 - Receive and review correspondence from Roger Meek, accountant for debtor regarding refund of insurance premium not property of estate and discuss with the Trustee;  
(SC - .10)

June 27, 1996 - Correspondence to Roger Meek in response to his letter regarding insurance premium refund;  
(SC - .30)

July 3, 1996 - Telephone conference with James River Corp. regarding accounts receivable owed to debtor;  
(SC - .10)

July 9, 1996 - Prepare Agreed Order Resolving Objection to Claim No. 2 of Valentine Pest Control;  
(RA - .30)

July 24, 1996 - Office conference with Trustee and Sherry regarding status of administration;  
(RA - .10)

July 24, 1996 - Correspondence to Floyd Landrey regarding Trustee's position on TWCC refund;  
(SC - .30)

July 29, 1996 - Receive and review correspondence from Floyd Landrey regarding Trustee's request for TWCC funds from debtor and discuss with the Trustee;  
(SC - .10)

October 16, 1996 - Receive and review correspondence from Roger Meek regarding worker's compensation reimbursement to another of debtor's corporations and discuss with Trustee;  
(SC - .10)

October 16, 1996 - Correspondence to Roger Meek, CPA in response to his request

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for pro-rata of TWCC refund;  
(SC - .40)

November 12, 1996 - Review file for status of administration;  
(RA - .20)

November 12, 1996 - Load claim information into computer;  
(RA - 1.10)

November 18, 1996 - Telephone conference with debtor regarding giving deposition in State Court lawsuit;  
(RA - .10)

December 12, 1996 - Review correspondence from Floyd Landrey regarding reimbursement to estate by debtor of pro-rata share of insurance premium refund;  
(SC - .10)

December 12, 1996 - Correspondence to Floyd Landrey in reply to this letter regarding TWCC refund;  
(SC - .30)

December 18, 1996 - Receive and review correspondence from Floyd Landrey regarding TWCC refund;  
(SC - .10)

January 3, 1997 - Receive and review correspondence from principal of debtor corporation regarding Trustee's demand for reimbursement to estate of refund;  
(SC - .10)

June 2, 1997 - Review file for status of administration;  
(RA - .10)

April 24, 1998 - Conference with the Trustee regarding status of administration;  
(RA - .10)

September 14, 1998 - Correspondence to Pete Steele advising State Court lawsuit is on "Try or Dismiss" docket for December and request for update;  
(SC - .20)

January 22, 1999 - Receive and review fax from State District Judge James Mehaffy regarding setting of lawsuit and pre-trial conference;  
(RA - .10)

December 14, 1998 - Conference with the Trustee regarding status of administration;  
(RA - .10)

February 25, 1999 - Review file for status of administration;  
(RA - .10)

March 2, 1999 - Correspondence to Nell McCallum & Associates regarding Records Order Form with attachments;  
(SC - .20)

March 9, 1999 - Telephone conference with the Trustee while in mediation regarding possible settlement in State Court lawsuit;  
(RA - .10)

March 10, 1999 - Conference with the Trustee regarding terms of settlement of

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lawsuit;  
(SC - .20)

March 10, 1999 - Prepare Trustee's Application to Pay Special Counsel, Provost and Umphrey and proposed Order;  
(SC - 1.20)

April 29, 1999 - Review file for status of administration;  
(RA - .10)

May 13, 1999 - Update claim information;  
(RA - .20)

May 14, 1999 - Receive and review proposed Joint Motion to Dismiss lawsuit prepared by KCI attorneys for execution by Trustee;  
(SC - .20)

May 14, 1999 - Correspondence to Dale Jefferson regarding Joint Motion to Dismiss State Court lawsuit;  
(SC - .20)

May 14, 1999 - Gather information for accountant to prepare fiduciary tax return;  
(RA - .40)

July 26, 1999 - Receive and review fiduciary tax returns for 1996, 1997, 1998 and short year ending 1999;  
(RA - .30)

July 26, 1999 - Correspondence to District Director, Internal Revenue Service, requesting quick determination as to fiduciary tax returns;  
(RA - .30)

August 5, 1999 - Preparation of Trustee's Application to Pay Accountant and proposed Order;  
(BH - .80)

August 10, 1999 - Telephone conference with Adrian Alexander with Special Procedures regarding fiduciary tax return;  
(RA - .10)

September 20, 1999 - Prepare 1099-MISC and 1096 for transmittal to Internal Revenue Service;  
(SC - .40)

RECAP OF PARALEGAL TIME:

|                 |   |                             |   |           |
|-----------------|---|-----------------------------|---|-----------|
| REBECCA ALLEN   | - | 5.5 hrs. @ \$50.00/per hr.  | = | \$ 275.00 |
| SHERRY CARNLEY  | - | 23.9 hrs. @ \$50.00/per hr. | = | 1,195.00  |
| BEVERLY HATCHER | - | .8 hrs. @ \$30.00/per hr.   | = | 24.00     |

|            |  |  |  |                   |
|------------|--|--|--|-------------------|
| TOTAL DUE: |  |  |  | <u>\$1,494.00</u> |
|------------|--|--|--|-------------------|

SCHEDULE C  
EXPENSES OF ADMINISTRATION

|   | (1) Amount<br>Claimed | (2) Amount<br>Allowed | (3) Previously<br>Paid | (4) Due     |
|---|-----------------------|-----------------------|------------------------|-------------|
| 1. 11 U.S.C Sec. 507(a)(1)<br>Court Costs and Fees -----                          | 0.00                  | 0.00                  | 0.00                   | 0.00        |
| 2. 11 U.S.C. Sec. 503(b)(1)(a)<br>Preservation of Estate -----                    | 0.00                  | 0.00                  | 0.00                   | 0.00        |
| 3. 11 U.S.C. Sec. 503(b)(2)<br>Post-Petition taxes and related<br>penalties ----- | 0.00                  | 0.00                  | 0.00                   | 0.00        |
| 4. 11 U.S.C. Sec. 503(b)(2)<br>Compensation and<br>Reimbursements -----           |                       |                       |                        |             |
| A. Trustee - Compensation   | 15,009.99             | 15,009.99             | 0.00                   | 15,009.99   |
| B. Trustee - Expense  | 2,679.81              | 2,679.81              | 0.00                   | 2,679.81    |
| C. ACCOUNTANT FEES  | 1,600.00              | 1,600.00              | 1,600.00               | 0.00        |
| D. AUCTIONEER EXPENSES  | 2,802.08              | 2,802.08              | 2,802.08               | 0.00        |
| E. AUCTIONEER FEES  | 1,589.60              | 1,589.60              | 1,589.60               | 0.00        |
| F. SPECIAL ATTY EXPENSES  | 13,323.24             | 13,323.24             | 13,323.24              | 0.00        |
| G. SPECIAL ATTY FEES  | 80,000.00             | 80,000.00             | 80,000.00              | 0.00        |
| H. TRUSTEE ATTORNEY<br>EXPENSES   | 432.62                | 432.62                | 432.62                 | 0.00        |
| I. TRUSTEE ATTORNEY<br>FEES   | 3,812.00              | 3,129.50              | 3,129.50               | 0.00        |
| 5. Court Special Charges (Excess<br>Notices) -----                                | 0.00                  | 0.00                  | 0.00                   | 0.00        |
| 6. United States Trustee Fees -----   | 0.00                  | 0.00                  | 0.00                   | 0.00        |
| 7. Other (list) -----   |                       |                       |                        |             |
| A. UNITED STATES<br>TRUSTEE   | 500.00                | 500.00                | 0.00                   | 500.00      |
| TOTALS:   | \$121,749.34          | \$121,066.84          | \$102,877.04           | \$18,189.80 |

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS

form.bill

In Re:  
Kilpatrick's Bonded Warehouse, Inc.

Case No: 95-10217 bp  
Chapter: 7

Debtor(s)

SEP 23 AM 11:19  
CLERK OF COURT

BILL OF COURT COSTS

BY \_\_\_\_\_ DEPUTY

To: Stephen J. Zayler  
123 E. Lufkin Avenue  
P.O. Box 150743  
Lufkin, TX 75915-0743

Notice is hereby given that court costs (and deferred adversary filing fees, if applicable) are due and owing, pursuant to 28 USC Section 1930, in the above case in the amount of \$0.

These costs are itemized as follows:

NOTICES

\$ .25 per notice in excess of 50 notices mailed prior to 1/1/87. \$0

\$ .50 per notice for all notices mailed 1/1/87 between 1/1/98. \$0

NOTE: For Chapter 7 cases filed after 12/1/92, there will be NO NOTICE FEES.  
(Do Not Bill for \$.50 per notice)

NOTE: For all other chapters filed after 1/1/98, there will be NO NOTICE FEES. (Do Not Bill for \$.50 per notice)

PROCESSING CLAIMS

NOTE: Eliminated is the fee of \$.25 for clerical processing of each claim in excess of 10 in cases filed under the Act or Code.

DEFERRED ADVERSARY FILING FEES

0 Chapter 7 Adversary Proceeding filed @ \$120.00/150.00 each. \$0

NOTE: For all Adversary Proceedings filed after 12/18/96 the filing fee is \$150.00.

TOTAL AMOUNT DUE \$0

Check to be made payable to Clerk, U.S. Bankruptcy Court

Date: 9/23/99

JAMES D. TOKOPH  
Clerk of Court

By: J. Anne Justice  
Deputy Clerk

NOTE: For Chapter 11 Cases Only: Court costs are due on or before the confirmation hearing. The Judge will confirm that these cases have been paid at the hearing.

SCHEDULE D

SECURED CLAIMS

| Claim no. | Amount<br>Claimed | Amount Not<br>Determined | Amount<br>Allowed | Previously<br>Paid | Due  |
|-----------|-------------------|--------------------------|-------------------|--------------------|------|
|           | 19,000.00         | 0.00                     | 19,000.00         | 19,000.00          | 0.00 |
| TOTALS    | 19,000.00         |                          | 19,000.00         | 19,000.00          | 0.00 |

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IDENTIFICATION OF SECURED PARTIES AFFECTED:

Claim No. Name of Creditor

Claim No. Name of Creditor

EQUITABLE BAG

# SCHEDULE E

## PRIORITY CLAIMS OTHER THAN ADMINISTRATIVE EXPENSES IN THE FOLLOWING ORDER OF PRIORITY

|   | (1) Amount<br>Claimed | (2) Amount<br>Allowed | (3) Amount<br>Paid | (4) Due |
|---|-----------------------|-----------------------|--------------------|---------|
| 1. For Credit extended - Sec. 364(e)(1)                           | 0.00                  | 0.00                  | 0.00               | 0.00    |
| 2. Claims from failure of adequate protection -<br>Sec. 307(a)(b) | 0.00                  | 0.00                  | 0.00               | 0.00    |
| 3. "Gap Claims" - Sec. 507(a)(2)                                  | 0.00                  | 0.00                  | 0.00               | 0.00    |
| 4. Wages, etc. - Sec. 507(a)(3)                                   | 0.00                  | 0.00                  | 0.00               | 0.00    |
| 5. Contributions to benefit plans - Sec. 507(a)(4)                | 0.00                  | 0.00                  | 0.00               | 0.00    |
| 6. Consumer deposits - Sec. 507(a)(6)                             | 0.00                  | 0.00                  | 0.00               | 0.00    |
| 7. Taxes - Sec. 507(a)(7)   | 0.00                  | 0.00                  | 0.00               | 0.00    |
| 8. Other (No Basis):  | 0.00                  | 0.00                  | 0.00               | 0.00    |
| TOTALS:   | \$0.00                | \$0.00                | \$0.00             | \$0.00  |

# SCHEDULE E

## PARTIES AFFECTED:

| Priority No. Name of Creditor                                 |           | Priority No. Name of Creditor |      |           |
|---|-----------|-------------------------------|------|-----------|
|   |           |                               |      |           |
| FILED UNSECURED CLAIMS TOTAL:                                 | 61,984.80 | 61,984.80                     | 0.00 | 61,984.80 |
| SUBORDINATED UNSECURED CLAIMS<br>TOTAL: (Tardily filed claim) | 80,867.51 | 80,867.51                     | 0.00 | 80,867.51 |



EXHIBIT A  
ANALYSIS OF CLAIMS REGISTER

Case Number: 95-10217

Page 1

Date: September 23, 1999

Debtor Name: KILPATRICK'S BONDED WAREHOUSE,

Claim Type Sequence

| Code #  | Creditor Name & Address   | Claim Class    | Notes                           | Scheduled | Claimed     | Allowed     |
|---|---|----------------|---------------------------------|-----------|-------------|-------------|
| 025<br>AF   | DAVID S. TAMMINGA<br>CPA<br>1403 TURTLE CREEK<br>LUFKIN, TX 75901                 | Administrative | PER ORDER DATED 9- -99.         | \$0.00    | \$1,600.00  | \$1,600.00  |
| Subtotal For Claim Type AF ACCOUNTANT FEES            |   |                |                                 | \$0.00    | \$1,600.00  | \$1,600.00  |
| 025<br>AUE  | HORN AUCTION COMPANY, INC.  | Administrative | PER ORDER DATED 10-3-95.        | \$0.00    | \$2,802.08  | \$2,802.08  |
| Subtotal For Claim Type AUE AUCTIONEER EXPENSES       |   |                |                                 | \$0.00    | \$2,802.08  | \$2,802.08  |
| 025<br>AUF  | HORN AUCTION CO.  | Administrative | PER ORDER DATED 10-3-95.        | \$0.00    | \$1,589.60  | \$1,589.60  |
| Subtotal For Claim Type AUF AUCTIONEER FEES           |   |                |                                 | \$0.00    | \$1,589.60  | \$1,589.60  |
| 8<br>010<br>OT7                                       | UNITED STATES TRUSTEE<br>300 PLAZA TOWER<br>110 N. COLLEGE<br>TYLER, TX 75702     | Administrative |                                 | \$0.00    | \$500.00    | \$500.00    |
| Subtotal For Claim Type OT7 OTHER CHAPTER 7 ADMIN EXP |   |                |                                 | \$0.00    | \$500.00    | \$500.00    |
| 025<br>SAE  | PROVOST & UMPHREY<br>P. O. BOX 4905<br>BEAUMONT, TX 77704                         | Administrative | PER ORDER DATED 4-15-99.        | \$0.00    | \$13,323.24 | \$13,323.24 |
| Subtotal For Claim Type SAE SPECIAL ATTY EXPENSES     |   |                |                                 | \$0.00    | \$13,323.24 | \$13,323.24 |
| 025<br>SAF  | PROVOST & UMPHREY   | Administrative | PER ORDER DATED 4-15-99.        | \$0.00    | \$80,000.00 | \$80,000.00 |
| Subtotal For Claim Type SAF SPECIAL ATTY FEES         |   |                |                                 | \$0.00    | \$80,000.00 | \$80,000.00 |
| 050<br>SC   | EQUITABLE BAG<br>c/o MEHAFFY & WEBER<br>ATTORNEYS AT LAW<br>BEAUMONT, TX 77701    | Secured        | PER ORDER DATED 4-15-99.        | \$0.00    | \$19,000.00 | \$19,000.00 |
| Subtotal For Claim Type SC SECURED CLAIMS             |   |                |                                 | \$0.00    | \$19,000.00 | \$19,000.00 |
| 025<br>TAE  | STEPHEN J. ZAYLER<br>ATTORNEY AT LAW<br>P. O. BOX 150743<br>LUFKIN, TX 75915-0743 | Administrative | PER ORDER DATED 6-18-99.        | \$0.00    | \$432.62    | \$432.62    |
| Subtotal For Claim Type TAE TRUSTEE ATTORNEY EXPENSES |   |                |                                 | \$0.00    | \$432.62    | \$432.62    |
| 025<br>TAF  | STEPHEN J. ZAYLER<br>ATTORNEY AT LAW<br>P. O. BOX 150743<br>LUFKIN, TX 75915-0743 | Administrative | PER AGREED ORDER DATED 6-18-99. | \$0.00    | \$3,812.00  | \$3,129.50  |
| Subtotal For Claim Type TAF TRUSTEE ATTORNEY FEES     |   |                |                                 | \$0.00    | \$3,812.00  | \$3,129.50  |
| 1<br>070<br>UC  | TRI-CON, INC.<br>P. O. BOX 20555<br>BEAUMONT, TX 77720                            | Unsecured      |                                 | \$0.00    | \$686.31    | \$686.31    |
| 2<br>070<br>UC  | VALENTINE PEST CONTROL<br>602 N. MAIN<br>LUMBERTON, TX 77657                      | Unsecured      |                                 | \$0.00    | \$552.81    | \$552.81    |

EXHIBIT A  
ANALYSIS OF CLAIMS REGISTER

Case Number: 95-10217

Page 2

Date: September 23, 1999

Debtor Name: KILPATRICK'S BONDED WAREHOUSE,

Claim Type Sequence

| Code #                                      | Creditor Name & Address   | Claim Class | Notes | Scheduled | Claimed      | Allowed      |
|---|---|-------------|-------|-----------|--------------|--------------|
| 3   | GRINNELL CORPORATION  | Unsecured   |       | \$0.00    | \$35,470.00  | \$35,470.00  |
| 070   | 3 TYCO PARK   |             |       |           |              |              |
| UC  | EXETER, NH 03801  |             |       |           |              |              |
| 4   | REED SERVICE CO.  | Unsecured   |       | \$0.00    | \$3,157.23   | \$3,157.23   |
| 070   | C/O BILL RICHEY   |             |       |           |              |              |
| UC  | 400 NECHAES AT CROCKETT<br>BEAUMONT, TX 77701                     |             |       |           |              |              |
| 5   | SOUTHWESTERN BELL TELEPHONE                                       | Unsecured   |       | \$0.00    | \$193.99     | \$193.99     |
| 070   | COMPANY   |             |       |           |              |              |
| UC  | ONE BELL PLAZA, ROOM 0750<br>P. O. BOX 655521<br>DALLAS, TX 75265 |             |       |           |              |              |
| 6   | U. S. RENTALS   | Unsecured   |       | \$0.00    | \$1,606.19   | \$1,606.19   |
| 070   | P. O. BOX 42387   |             |       |           |              |              |
| UC  | HOUSTON, TX 77242   |             |       |           |              |              |
| 7   | ALOHA LEASING   | Unsecured   |       | \$0.00    | \$2,781.95   | \$2,781.95   |
| 070   | C/O BENNETT FUNDING   |             |       |           |              |              |
| UC  | TWO CLINTON SQUARE<br>SYRACUSE, NY 13202                          |             |       |           |              |              |
| 9   | CINTAS CORPORATION  | Unsecured   |       | \$0.00    | \$332.89     | \$332.89     |
| 070   | 3030 MILAM  |             |       |           |              |              |
| UC  | BEAUMONT, TX 77701  |             |       |           |              |              |
| 10  | W. T. BYLER CO., INC.   | Unsecured   |       | \$0.00    | \$16,411.70  | \$16,411.70  |
| 070   | 15203 LILLJA  |             |       |           |              |              |
| UC  | HOUSTON, TX 77060   |             |       |           |              |              |
| 11  | FLEET FUELING   | Unsecured   |       | \$0.00    | \$791.73     | \$791.73     |
| 070   | P. O. BOX 7961  |             |       |           |              |              |
| UC  | BEAUMONT, TX 77726  |             |       |           |              |              |
| Subtotal For Claim Type UC UNSECURED CLAIMS |   |             |       | \$0.00    | \$61,984.80  | \$61,984.80  |
| 12  | RUBY KILPATRICK   | Unsecured   |       | \$0.00    | \$80,867.51  | \$80,867.51  |
| 072   | c/o FLOYD A. LANDREY  |             |       |           |              |              |
| UL  | 390 PARK STREET, SUITE 500<br>BEAUMONT, TX 77701                  |             |       |           |              |              |
| Subtotal For Claim Type UL UNSECURED LATE   |   |             |       | \$0.00    | \$80,867.51  | \$80,867.51  |
| Case Totals:                                |   |             |       | \$0.00    | \$265,911.85 | \$265,229.35 |

Code #: Trustee's Claim Number, Priority Code, Claim Type

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
BEAUMONT DIVISION

IN RE: )  
KILPATRICK'S BONDED WAREHOUSE, INC. ) CASE NO. 95-10217  
 )  
 ) CHAPTER 7  
DEBTOR(S) )

TRUSTEE'S REPORT OF  
PROPOSED FINAL DISTRIBUTIONS

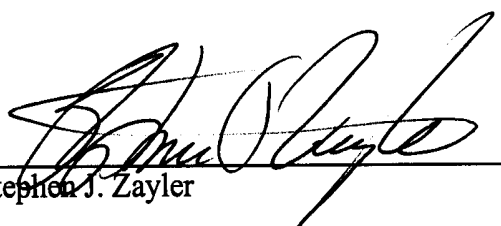
The undersigned trustee of the estate hereby submits to the Court and to the United States Trustee this Report of Proposed Final Distributions.

1. The Court has entered orders which have become final, and which dispose of all objections to claims, all objections to the trustee's Final Report, all applications for compensation, and all other matters which must be determined by the Court before final distribution can be made.

2. The trustee proposes to make final distribution of the funds of the estate as follows, and will make such distribution unless written objection thereto is made, filed and served on the trustee and on the United States trustee.

|   |              |
|---|--------------|
| 1. BALANCE ON HAND  | \$113,322.66 |
| 2. ADMINISTRATIVE EXPENSES TO BE PAID * (note)                  | \$18,189.80  |
| 3. SECURED CLAIMS TO BE PAID * (note)                           | \$0.00       |
| 4. PRIORITY CLAIMS TO BE PAID * (note)                          | \$0.00       |
| 5. UNSECURED CLAIMS TO BE PAID * (note)                         | \$95,132.86  |
| 6. OTHER DISTRIBUTIONS TO BE PAID * (note)                      | \$0.00       |
| 7. TOTAL DISTRIBUTIONS TO BE MADE<br>(Sum of lines 2 through 6) | \$113,322.66 |
| 8. ZERO BALANCE AFTER ALL DISTRIBUTIONS<br>(Line 1 less line 7) | \$0.00       |

\* (See attached schedule of payees and amounts)

  
Stephen J. Zayler

(Trustee)

# PROPOSED DISTRIBUTION

Case Number: 95-10217

Page 1

Date: September 23, 1999

Debtor Name: KILPATRICK'S BONDED WAREHOUSE, INC.

| Claim #           | Payee Name  | Class | Priority | Amount      | Paid to Date | Claim Balance | Proposed Pymt | Funds Remaining |
|-------------------|---|-------|----------|-------------|--------------|---------------|---------------|-----------------|
| Beginning Balance |   |       |          |             |              |               |               | \$113,322.66    |
|                   | Stephen J. Zayler - Fees<br>COMPENSATION  | Admin |          | \$15,009.99 | \$0.00       | \$15,009.99   | \$15,009.99   | \$98,312.67     |
|                   | Stephen J. Zayler - Exp<br>EXPENSES   | Admin |          | \$2,679.81  | \$0.00       | \$2,679.81    | \$2,679.81    | \$95,632.86     |
| 8                 | UNITED STATES TRUSTEE<br>300 PLAZA TOWER<br>110 N. COLLEGE<br>TYLER, TX 75702     | Admin | 010      | \$500.00    | \$0.00       | \$500.00      | \$500.00      | \$95,132.86     |
|                   | HORN AUCTION COMPANY,<br>INC.   | Admin | 025      | \$2,802.08  | \$2,802.08   | \$0.00        | \$0.00        | \$95,132.86     |
|                   | HORN AUCTION CO.  | Admin | 025      | \$1,589.60  | \$1,589.60   | \$0.00        | \$0.00        | \$95,132.86     |
|                   | PROVOST & UMPHREY   | Admin | 025      | \$80,000.00 | \$80,000.00  | \$0.00        | \$0.00        | \$95,132.86     |
|                   | PROVOST & UMPHREY<br>P. O. BOX 4905<br>BEAUMONT, TX 77704                         | Admin | 025      | \$13,323.24 | \$13,323.24  | \$0.00        | \$0.00        | \$95,132.86     |
|                   | STEPHEN J. ZAYLER<br>ATTORNEY AT LAW<br>P. O. BOX 150743<br>LUFKIN, TX 75915-0743 | Admin | 025      | \$3,129.50  | \$3,129.50   | \$0.00        | \$0.00        | \$95,132.86     |
|                   | STEPHEN J. ZAYLER<br>ATTORNEY AT LAW<br>P. O. BOX 150743<br>LUFKIN, TX 75915-0743 | Admin | 025      | \$432.62    | \$432.62     | \$0.00        | \$0.00        | \$95,132.86     |
|                   | DAVID S. TAMMINGA<br>CPA<br>1403 TURTLE CREEK<br>LUFKIN, TX 75901                 | Admin | 025      | \$1,600.00  | \$1,600.00   | \$0.00        | \$0.00        | \$95,132.86     |
|                   | EQUITABLE BAG<br>c/o MEHAFFY & WEBER<br>ATTORNEYS AT LAW<br>BEAUMONT, TX 77701    | Sec   | 050      | \$19,000.00 | \$19,000.00  | \$0.00        | \$0.00        | \$95,132.86     |
| 1                 | TRI-CON, INC.<br>P. O. BOX 20555<br>BEAUMONT, TX 77720                            | Unsec | 070      | \$686.31    | \$0.00       | \$686.31      | \$686.31      | \$94,446.55     |
| 2                 | VALENTINE PEST CONTROL<br>602 N. MAIN<br>LUMBERTON, TX 77657                      | Unsec | 070      | \$552.81    | \$0.00       | \$552.81      | \$552.81      | \$93,893.74     |

# PROPOSED DISTRIBUTION

Case Number: 95-10217

Page 2

Date: September 23, 1999

Debtor Name: KILPATRICK'S BONDED WAREHOUSE, INC.

| Claim #      | Payee Name  | Class | Priority | Amount       | Paid to Date | Claim Balance | Proposed Pymt | Funds Remaining |
|--------------|---|-------|----------|--------------|--------------|---------------|---------------|-----------------|
| 3            | GRINNELL CORPORATION<br>3 TYCO PARK<br>EXETER, NH 03801   | Unsec | 070      | \$35,470.00  | \$0.00       | \$35,470.00   | \$35,470.00   | \$58,423.74     |
| 4            | REED SERVICE CO.<br>C/O BILL RICHEY<br>400 NECHAES AT CROCKETT<br>BEAUMONT, TX 77701                        | Unsec | 070      | \$3,157.23   | \$0.00       | \$3,157.23    | \$3,157.23    | \$55,266.51     |
| 5            | SOUTHWESTERN BELL<br>TELEPHONE COMPANY<br>ONE BELL PLAZA, ROOM 0750<br>P. O. BOX 655521<br>DALLAS, TX 75265 | Unsec | 070      | \$193.99     | \$0.00       | \$193.99      | \$193.99      | \$55,072.52     |
| 6            | U. S. RENTALS<br>P. O. BOX 42387<br>HOUSTON, TX 77242   | Unsec | 070      | \$1,606.19   | \$0.00       | \$1,606.19    | \$1,606.19    | \$53,466.33     |
| 7            | ALOHA LEASING<br>C/O BENNETT FUNDING<br>TWO CLINTON SQUARE<br>SYRACUSE, NY 13202                            | Unsec | 070      | \$2,781.95   | \$0.00       | \$2,781.95    | \$2,781.95    | \$50,684.38     |
| 9            | CINTAS CORPORATION<br>3030 MILAM<br>BEAUMONT, TX 77701  | Unsec | 070      | \$332.89     | \$0.00       | \$332.89      | \$332.89      | \$50,351.49     |
| 10           | W. T. BYLER CO., INC.<br>15203 LILLJA<br>HOUSTON, TX 77060  | Unsec | 070      | \$16,411.70  | \$0.00       | \$16,411.70   | \$16,411.70   | \$33,939.79     |
| 11           | FLEET FUELING<br>P. O. BOX 7961<br>BEAUMONT, TX 77726   | Unsec | 070      | \$791.73     | \$0.00       | \$791.73      | \$791.73      | \$33,148.06     |
| 12           | RUBY KILPATRICK<br>c/o FLOYD A. LANDREY<br>390 PARK STREET, SUITE 500<br>BEAUMONT, TX 77701                 | Unsec | 072      | \$80,867.51  | \$0.00       | \$80,867.51   | \$33,148.06   | \$0.00          |
| << Totals >> |   |       |          | \$282,919.15 | \$121,877.04 | \$161,042.11  | \$113,322.66  | \$0.00          |

Proposed distribution is dependent on the Court's rulings on administrative expenses, contest of claims, and/or objections made to this proposed distribution.

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
BEAUMONT DIVISION

IN RE: )  
KILPATRICK'S BONDED WAREHOUSE, INC. ) CASE NO. 95-10217  
 )  
 ) CHAPTER 7  
DEBTOR(S) )

**ORDER ALLOWING TRUSTEE'S FINAL APPLICATION FOR COMPENSATION  
AND APPROVING TRUSTEE'S FINAL REPORT AND PROPOSED DISTRIBUTION**

ON THIS DAY came on for consideration the Trustee's Final Report filed by Stephen J. Zayler, the duly appointed Chapter 7 Trustee. The Court finds that notice of this hearing has been given as required by the Bankruptcy Rules. Upon due consideration, the Court finds that cause exists which justifies the entry of the following order:

**IT IS THEREFORE ORDERED** that the Chapter 7 Trustee's final application for compensation in the amount of \$15,009.99 and for reimbursement of expenses in the amount \$2,679.81 is **Granted**.

**IT IS FURTHER ORDERED** that the Trustee's Final Report is approved as submitted by the Chapter 7 Trustee, including approval of the payment of the following fees and charges assessed against the Estate under Chapter 123 of title 28 of the United States Code.

**FEES/CHARGES**

**PROPOSED PAYMENT**

|                              |        |
|------------------------------|--------|
| Clerk Noticing/Claim Fees    | \$0.00 |
| Unpaid Adversary Filing Fees | \$0.00 |
| Unpaid Quarterly Fees        | \$0.00 |

**IT IS FURTHER ORDERED** that the Chapter 7 Trustee shall make final distribution of the amounts set forth in the Trustee's Final Report as approved by this Court and shall file a Supplemental Final Report and Account together with such bank statements as are necessary to document a zero balance in all Estate accounts, following compliance with Section 347(a) of the Bankruptcy Code and Bankruptcy Rule 3011, if applicable.

SIGNED this the \_\_\_\_\_ day of \_\_\_\_\_, 1999.

\_\_\_\_\_  
BANKRUPTCY JUDGE